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Approved by:

William Westman

AgBeijing

Prepared by:

Mark Petry

Report Highlights: On January 10, 2008, China's import and export inspection administration, the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ), notified the WTO of new draft legislation "Measures for the Administration of Inspection, Quarantine, and Supervision of Imported and Exported Food" (G/SPS/N/CHN/104). This measure will likely have a significant impact on food and agricultural trade with China. This report contains an UNOFFICIAL TRANSLATION that should be used as reference only.

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Executive Summary: On January 10, 2008, China's import and export inspection administration, the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ), notified the WTO of new draft legislation "Measures for the Administration of Inspection, Quarantine, and Supervision of Imported and Exported Food" (G/SPS/N/CHN/104). WTO members have 60 days to supply comments regarding this measure.

This measure is the result of significant restructuring within the Chinese government following several recent food safety incidents involving imported and exported food and agricultural products. The measure is an attempt to clarify AQSIQ's jurisdiction and overall mission focus. Due to AQSIQ's importance in inspecting imported products, it will likely have a significant impact on the food product trade with China. Most import is Chapter II that deals with inspection of imported food products by AQSIQ and other inspection agencies. Interested parties are recommended to supply comments to the WTO. This report contains and UNOFFICIAL TRANSLATION that should be used as reference only.

Special thanks go the Embassy of Canada in the Peoples' Republic of China for their assistance in translating this document.

BEGIN TRANSLATION

**Measures for the Administration of Inspection,
Quarantine, and Supervision of Import and Export Food
(Draft)**

(The "pursuant to Article 34 of the present Measures" in Article 38 should be "pursuant to Article 35". The ""inspection agencies", "inspection", and "inspection certificates" in Article 52, 53, and 54 should be "inspection and quarantine agencies", "inspection and quarantine", and "inspection and quarantine certificates". "Goods that are partially fake, fake or inferior" in Article 53 should be "food that is partially fake, fake or inferior. The auxiliary word "suo" in line 1, Article 57 should be dropped. The "export food" in paragraph 3, Article 58 should be "import food". The word "fen" in line 2, Article 59 should be dropped. The semicolon in paragraph 2, Article 61 should be dropped. Paragraph 1, Article 69 is a prescribing clause and should be placed in Chapter III.)

Chapter I General Provisions

Article 1 (Legislative Basis) For the purposes of ensuring the quality safety and hygiene of import and export food, protecting the health of humans, animals and plants, the present Measures are formulated in accordance with the Food Hygiene Law of the People's Republic of China, the Law of the People's Republic of China on Import and Export Commodity Inspection and the Regulation for the Implementation thereof, and the Special Rules of the State Council on Strengthening the Supervision and Management of the Safety of Food and Other Products.

Article 2 (Administration) The General Administration of Quality Supervision, Inspection and Quarantine (hereinafter referred to as the AQSIQ) shall administer the inspection, quarantine, and supervision of imported and exported foods throughout China.

The entry/exit inspection and quarantine agencies (hereinafter referred to as the inspection and quarantine agencies) established by AQSIQ at each locality shall be

responsible for the inspection, quarantine, and supervision of imported and exported food within their respective jurisdictions.

Article 3 (Applicability) The inspection and quarantine agencies and the enterprises producing or operating imported and exported food shall obey the present Measures.

Article 4 (Persons) The persons for inspection, quarantine, and supervision of imported and exported food in the inspection and quarantine agencies shall be trained and tested for qualification before conducting the work.

Article 5 (Enterprises) The enterprises producing or operating the import and export food sector should be honest in their production or operation and be responsible for the quality safety and hygiene of the imported and exported food that they produce or oversee.

AOSIQ and the inspection and quarantine agencies implement a system of "List of Creditable Enterprises" and "List of Disobedient Enterprises" on the enterprises producing or overseeing imported and exported food.

Article 6 The inspection and quarantine agencies have the follow power in lawfully conducting their work on import and export food regulation:

- (1) access to the places of production and operation for on-site inspection;
- (2) review, duplication, seal-up, and seizure of relevant contracts, notes, account books and other related documentation;
- (3) seal-up and seizure of products that do not meet legal requirements, illegally used raw materials, minor ingredients, additives, and agricultural inputs, and illegally produced tools and equipment;
- (4) Closedown of places of production and operation harmful to human health and safety.

Chapter II Inspection, Quarantine, and Supervision of Imported Food

Article 7 (Inspection and quarantine standards) Imported food should comply with the mandatory requirements of China's national technical regulations, and also the inspection and quarantine requirements in the agreements and protocols that China has signed with exporting countries or regions.

Imported food for which China has not developed mandatory requirements in national technical regulations should comply with the standards designated by the AOSIQ.

Article 8 (Risk assessment) AOSIQ performs risk assessment on the food imported for the first time with risks of animal/plant diseases or poisonous/hazardous substances, and performs assessment on the food quality safety and hygiene regulation systems of the exporting countries or regions. For imported food with acceptable risks, an inspection and quarantine protocol could be signed with the competent authorities of the exporting countries or regions to specify the inspection and quarantine requirements.

Article 9 (Registration of foreign enterprise) China National Regulatory Commission for Certification and Accreditation, in accordance with Provisions on the Administration of the Registration of Foreign Enterprises Producing Imported Food, performs the review and registration of the foreign enterprises producing, processing, or storing exported food to China. Only food from the foreign enterprises with the hygiene registration is permitted for import.

Article 10 (Quarantine approval) The enterprises importing food in List of Inward Animals/Plants for Quarantine and Approval shall apply for quarantine and approval pursuant to relevant regulations to acquire the Permit of the People's Republic of China on Inward Animal and Plant Quarantine.

Article 11 (Entry through designated ports) The import food with risks of animal/plant diseases shall enter China through designated ports. The list of designated ports is developed and announced by the AQSIQ.

Article 12 (Chinese labels) The Chinese labels of import prepackaged food should conform to China's laws, regulations, and rules on food labeling and the mandatory requirements in other national technical regulations. The inspection and quarantine agencies inspect the labels of prepackaged food.

Article 13 (Report for inspection) The receivers of import food or their agents should, in accordance with the regulations of the AQSIQ, report for inspection to the inspection and quarantine agencies of the entry ports, providing relevant approvals and documents such as contracts.

Article 14 (Inspection and quarantine) The inspection and quarantine agencies, after receiving reports for inspection, should perform inspection and quarantine on the relevant import food in accordance with relevant practices, regulations, and classifications within the time limit stipulated by AQSIQ.

In case that laboratory test is needed, the inspection and quarantine agencies should, in accordance with relevant regulations, make sampling and send the sample to qualified testing institutions and specify the testing items and requirements. The testing institutions should, following the requirements, perform the testing and issue a testing report within the time limit stipulated.

Article 15 (Designated places for storage) The import food should be stored at the custody places designated by the inspection and quarantine agencies before acquiring certification of qualification after inspection and quarantine. The food shall not be moved, sold, or used by any institutions or individuals without the permission of the inspection and quarantine agencies.

Article 16 (Qualification and treatment of unqualified products) If inspection and quarantine show that the import food is qualified, the inspection and quarantine agencies shall issue certification of qualification. The import food could only be sold or used after the certification of qualification is issued by the inspection and quarantine agencies.

The inspection and quarantine agencies may, if needed, in accordance with relevant regulations of the AQSIQ, mark with inspection and quarantine signs the import food which inspection and quarantine show is qualified.

If inspection and quarantine show that the imported food is unqualified, the inspection and quarantine agencies shall issue certification of unqualification. If it is unqualified with respect to safety, health, and environmental items, the inspection and quarantine agencies shall order the relevant party to destroy it, or issue a notice of return and inform in writing the customs. The customs carries out the return in accordance with the notice of return. If the import food is unqualified with respect to other terms, technical treatment could be performed on it under the instruction of the inspection and quarantine agencies. It could only be sold or used if a second inspection and quarantine show it is qualified.

Article 17 (Archiving of receivers) The inspection and quarantine agencies archive the receivers of imported food. The receivers should honestly report the flow direction and the record shall be kept for no less than 2 years.

Article 18 (Management by classification) The inspection and quarantine agencies make management by classification of imported food and enterprises producing imported food, in accordance with their credit, level of quality safety management, and the results of risk assessment of imported food. The specific method of management will be developed by AQSIQ elsewhere.

Article 19 (Safety monitoring) AOSIQ performs a system of safety monitoring on import food. A highlight monitoring plan will be developed based on risk assessment and the circumstance of inspection and quarantine, identifying the types and items of imported food for more intensive monitoring. The monitoring will be done by the inspection and quarantine agencies. The AOSIQ adopts measures for the administration of inspection, quarantine, and supervision on import food based on the monitoring results.

Article 20 (Imported food on sale in the market) The AOSIQ could, based on the situation of domestic and international food safety, organize sampled examinations of imported food on sale at market.

Article 21 (Nontrade goods) The food imported as samples, gifts, presents, and exhibits, or for tax-free business, or for use by embassies and consulates shall be treated in accordance with relevant national laws and regulations.

Article 22 (List of disobedient enterprise) When discovering imported food does not meet the legal requirements, the inspection and quarantine agencies could include in the list of foul records the importing enterprises, enterprises that report for inspection, and agents of import food, and include in the list of disobedient enterprises the enterprise with disobedience and take measures accordingly.

Chapter III Inspection, Quarantine, and Supervision of Export Food

Article 23 (Inspection and quarantine standards) Export food should comply with the standards of the importing countries or regions and the requirements of contracts.

Article 24 (Pattern of management) Enterprises producing or processing exported food should establish a strict quality management system to ensure that their export products comply with the standards of the importing countries or regions and the requirements of contracts.

The raw materials used by the enterprises producing or processing exported food should be from the farming bases in compliance with relevant regulations. The farming bases should carry out farming in accordance with agricultural standardization requirements.

Article 25 (Archiving of Bases) The inspection and quarantine agencies archive the farming bases providing the raw materials used for producing animal/plant-derived export food. The list for archiving is developed, adjusted, and announced by the AOSIQ. The raw materials from the farming bases which should be archived but are not archived cannot be used for producing export food.

For the archiving of bases, the enterprise producing exported food should make applications to the inspection and quarantine agencies of where the bases are. The inspection and quarantine agencies should assess the bases applying for archiving, and archive them if they are qualified and notify the inspection and quarantine agencies of where the enterprises are.

Article 26 (Everyday supervision on archived bases) The inspection and quarantine agencies of where the archived bases are shall be responsible for the everyday supervision on the archived bases, issue raw material supply certification to the raw material provided by the bases to the enterprises producing export food, and notify the inspection and quarantine agencies of where the enterprises are of the supervision.

The inspection and quarantine agencies of where the enterprises are shall notify the inspection and quarantine agencies of where the archived bases are of the requirements of importing countries or regions and of the food safety and hygiene information of the raw materials provided by the bases.

Article 27 (Disease monitoring of archived bases) The inspection and quarantine agencies of where the archived bases are shall make disease monitoring on the archived bases, and

instruct the archived bases to adopt relevant disease-preventing measures based on monitoring results to prevent the occurrence of diseases.

Article 28 (Pesticide/ veterinary medicine residue monitoring plan) AQSIQ will develop and announce an annual pesticide/ veterinary medicine residue monitoring plan for animal/plant-derived exported food and determine the monitoring items based on food types and risks.

The inspection and quarantine agencies shall monitor exported food within their jurisdictions in accordance with the monitoring plan, adopt relevant measures of inspection, quarantine, and supervision on export food based on the residue monitoring results, and notify the local governments of the residue monitoring results.

Article 29 (Registration of enterprises producing export food) China National Regulatory Commission for Certification and Accreditation, in accordance with Provisions on the Administration of the Hygiene Registration of Enterprises Producing Export Food, performs the review and registration of the enterprises producing, processing, or storing export food. Only food from the enterprises with the hygiene registration is permitted for export.

Article 30 (Self-control system) Enterprises producing export food should establish sound quality safety and hygiene control systems and export food quality safety retroactive systems and improve their self-inspection and self-control abilities.

Article 31 (Archiving of additives) The enterprises producing export food shall honestly report the raw materials, minor ingredients, additives, and agricultural inputs to the inspection and quarantine agencies of where the enterprises are.

Article 32 (Sending out inspection and quarantine persons) Based on needs, the inspection and quarantine agencies could send out inspection and quarantine persons to enterprises producing export food with high risks to supervise the origin of raw materials, production, processing, packing and export of enterprises producing export food.

Article 33 (Report for inspection) The consigners of exported food or their agents should, in accordance with the regulations of the AQSIQ, report for inspection to the inspection and quarantine agencies of where the enterprises producing exported food are, providing relevant approvals and documents such as contracts.

Article 34 (Inspection and quarantine) The inspection and quarantine agencies, after receiving reports for inspection, should perform inspection and quarantine on the relevant export food in accordance with relevant practices, regulations, and classifications within the time limit stipulated by AQSIQ.

In case that laboratory test is needed, the inspection and quarantine agencies should, in accordance with relevant regulations, make sampling and send the sample to qualified testing institutions and specify the testing items and requirements. The testing institutions should, following the requirements, perform the testing and issue a testing report within the time limit stipulated.

Article 35 (Qualification and treatment of unqualification) If inspection and quarantine show that the export food is qualified, the inspection and quarantine agencies shall issue permits of customs entry. In case that the exporting countries or regions require inspection and quarantine certificates, the inspection and quarantine agencies shall also issue inspection and quarantine certificates.

If inspection and quarantine show that the export food is unqualified, the inspection and quarantine agencies shall issue certification of unqualification. If technical treatment is possible, technical treatment should be performed under the instruction of the inspection and quarantine agencies. It could only be allowed for export if a second inspection and quarantine show it is qualified. If technical treatment is impossible or if a second inspection and quarantine show it is still unqualified, it shall not be allowed for export.

Article 36 (Mark with inspection and quarantine signs) The enterprises producing export food should mark the package with the name of enterprises, number of registration, name of products, and number of products. The inspection and quarantine agencies should include the above mentioned information in the certificates issued, to ensure the consistency between goods and certificate.

The inspection and quarantine agencies may, if needed, in accordance with relevant regulations of the AQSIQ, mark with inspection and quarantine signs the exported food which inspection and quarantine show is qualified.

For exported food which inspection and quarantine show is qualified and is in transport from places of production to ports, the inspection and quarantine agencies could perform supervision in the form of visual monitoring, lead sealing, electronic locking, and global positioning system.

Article 37 (Collaboration between ports and places of production) AQSIQ administers the exported food by combining inspection and quarantine at places of production and examination at ports. For the food which inspection and quarantine by the inspection and quarantine agencies at the places of production shows is qualified, the inspection and quarantine agencies at ports shall make sampled examination at a percentage of 20%. If the examination at ports discovers discrepancy between products and certificates or unqualification of products, the relevant food cannot be allowed for export, and the responsible inspection and quarantine agencies shall notify the AQSIQ within 24 hours. The AQSIQ will announce risk precaution to increase the percentage of examination from 20% to 50% for all the exported food of the enterprises producing the food, the enterprises that report for inspection, or their agents. If discrepancy between products and certificates or unqualification of products is discovered again, the percentage of examination shall be increased to 100%. The percentage of examination could be only be restored to normal value when full qualification is shown in examination for consecutive 90 days or 50 batches of products.

The AQSIQ could, based on needs, increase or decrease the percentage of examination at ports.

Article 38 (Treatment of unqualification discovered in examination at ports) Exported food which examination at ports shows is unqualified shall be treated pursuant to Article 35 of the present Measures.

Article 39 (Examination of appropriateness for transport) For the transport vehicles like containers, ships, planes, and automobiles for transporting perishable or frozen food for export, the transporting and loading institutions or their agents shall apply to the inspection and quarantine agencies for examination of appropriateness for transport before loading, with respect to cleanness, hygiene, cold storage, and solidness. The vehicle unexamined or unqualified shall not be allowed for loading.

Article 40 (Nontrade goods) The food exported as samples, gifts, presents, and exhibits, or for tax-free business, or for use by embassies and consulates or the project teams abroad of Chinese enterprises, if in compliance with conditions for export, shall be treated in accordance with relevant laws and regulations.

Article 41 (Management by classification) The inspection and quarantine agencies make management by classification on export food and enterprises producing export food, in accordance with their level of quality safety management and hygiene management. Based on risk analysis, different ways of inspection, quarantine, and supervision will be performed on export food, such as inspection for all batches of products, sampled inspection, and no inspection. The specific method of management will be developed by the AQSIQ.

Article 42 (List of Creditable Enterprises) In the inspection, quarantine, and supervision on export food, the inspection and quarantine agencies could include in list of creditable enterprises the enterprises with sound quality and hygiene self-control systems, good reputation, and long-time steady quality, and give them some favorable treatment.

Article 43 (List of disobedient enterprise) When discovering disobedience by enterprises producing export food, exporting enterprises or their agents, the inspection and quarantine agencies could include them in the list of disobedient enterprises and take measures accordingly.

Chapter IV Risk Precaution and Rapid Response

Article 44 (Mechanism of risk precaution and rapid response) The AQSIQ establishes a mechanism of precaution and rapid response for imported and exported food. In case of quality safety and hygiene problems on import and export food, or quality safety and hygiene problems occurring in China or abroad that may affect import and export food safety, the AQSIQ and the inspection and quarantine agencies should promptly start the risk precaution mechanism and adopt rapid response measures.

Article 45 (Information collection) The AQSIQ and the inspection and quarantine agencies should establish an information collection network to collect and arrange food safety information, mainly including the unqualification information discovered in the inspection, quarantine, and supervision of imported and exported food by the inspection and quarantine agencies, the unqualification information, risk precaution information and other food safety information issued by international organizations, national and international governmental agencies and societies or provided by consumers.

Article 46 (Information arrangement and report) The inspection and quarantine agencies should verify, arrange, summarize, and analyze the collected information, and report to the AQSIQ pursuant to relevant requirements and procedure.

Article 47 (Risk assessment) AQSIQ verifies and analyses the reported food safety information, and organize risk assessment on food safety information to determine the type and degree of risks.

Article 48 (Rapid response measures) Based on the type and degree of risks, the AQSIQ could determine and announce to adopt the following rapid response measures:

- (1) conditionally restrict import and export, including close monitoring, tightened inspection, and order of recalling;
- (2) ban imports or exports, destroy on-site, or return the products;
- (3) start an import and export food safety emergency plan.

The inspection and quarantine agencies are responsible for the implementation of rapid response measures.

Article 49 (Temporary or emergent rapid response measures) For uncertain risks, AQSIQ could, with reference to international practices, directly take temporary or emergent rapid response measures without prior risk assessment. Meanwhile, the risk assessment should also be done by collecting and adding relevant information and materials.

Article 50 (Canceling of precaution) The AQSIQ could announce to cancel the precaution when the import and export food safety risks have disappeared or lowered to an acceptable degree.

Article 51 (Recalling) In the case that the import food in China's domestic market has hidden safety problems or have caused harm to human health and life, the importing enterprises should recall the food.

The food importing enterprises should immediately report the detailed information to the inspection and quarantine agencies of where they are. The inspection and quarantine agencies shall, after receiving the report, immediately organize verification and issue precaution information based on the scope of products influenced. Meanwhile, importing enterprises should announce relevant information to society, inform the wholesalers and retailers to stop their trade, notify the consumers to stop using it, recall the import food, and record the recalled food. The wholesalers and retailers should immediately stop their actions and support the recalling of import food. The inspection and quarantine agencies should supervise the recalling.

In case of discovering that the export food has hidden safety problems or have caused harm to human health and life, the exporting enterprises should recall the export food and report to the inspection and quarantine agencies of where they are. The inspection and quarantine agencies should supervise the recall.

If the importing or exporting enterprises do not recall the export food, the inspection and quarantine agencies could issue a notice of recalling and report to the AQSIQ. The AQSIQ should announce to stop importing or exporting the relevant food and remind the consumers to stop using the food or take other measures to prevent harm from happening.

Chapter V Legal Responsibilities

Article 52 (Law Article 33) If an enterprise does not report for inspection but sells or uses the import food which must be inspected by the inspection agencies or does not report for inspection but exports food which must have inspection by inspection agencies, the inspection agencies shall confiscate its illegal earnings and impose a fine above 5% and below 20% of the goods value. If a crime is committed, it shall bear the criminal responsibilities.

Article 53 (Law Article 35) If an enterprise imports or exports goods that is partially fake, fake or inferior, or imports or exports unqualified food in disguise of qualified food, the inspection agencies shall order it to stop the import or export, confiscate its illegal earnings and impose a fine above 50% and below 3 times of the goods value. If a crime is committed, it shall bear the criminal responsibilities.

Article 54 (Law Article 36) If an enterprise forges, modifies, buys or sells, or steals inspection certificates, stamps, signs, seals, quality certification signs, it shall bear the criminal responsibilities. If it does not reach a criminal punishment, the inspection agencies shall order it to correct its behavior, confiscate its illegal earnings, and impose a fine 100% of the goods value.

Article 55 If an enterprise sells or uses the import food which inspection and quarantine shows does not meet legal requirements, the inspection and quarantine agencies shall order it to stop its sale or use, confiscate its illegal earnings and import food, and impose a fine of RMB 50,000 if the goods value is below RMB 5,000, a fine of RMB 100,000 if the goods value is above RMB 5,000 and below RMB 10,000, or a fine above 10 times and below 20 times of the goods value if the goods value is above RMB 10,000. If it commits a crime of illegal operation or a crime of producing or selling fake goods, it shall bear the criminal responsibilities.

Article 56 If an enterprise produces or exports food which under inspection and quarantine show does not meet legal requirements, the inspection and quarantine agencies shall confiscate its illegal earnings, export food, and the tools, equipment and raw materials used for illegal production, and impose a fine of RMB 50,000 if the goods value is below RMB 5,000, a fine of RMB 100,000 if the goods value is above RMB 5,000 and below RMB 10,000, or a fine above 10 times and below 20 times of the goods value if the goods value is above

RMB 10,000. If it commits a crime of illegal operation or a crime of producing or selling fake goods, it shall bear the criminal responsibilities.

Article 57 If an enterprise produces export food using raw materials, minor ingredients, additives, and agricultural inputs which do not conform to laws, regulation and national mandatory standards, the inspection and quarantine agencies shall confiscate its illegal earnings, and impose a fine of RMB 20,000 if the goods value is below RMB 5,000, a fine of RMB 50,000 if the goods value is above RMB 5,000 and below RMB 10,000, or a fine above 5 times and below 10 times of the goods value if the goods value is above RMB 10,000. If there is severe consequence, the agency that issued its license shall revoke its license. If it commits a crime of producing or selling fake goods, it shall bear the criminal responsibilities.

Article 58 If an enterprise does not report import and export food for inspection or avoids inspection and quarantine, the inspection and quarantine agencies shall confiscate its illegal earnings, and impose a fine above 5% and below 20% of the goods value. If it commits a crime, it shall bear the criminal responsibilities.

If an enterprise producing or operating export food does not honestly provide real information on exported food but manages to acquire relevant certificates issued by the inspection and quarantine agencies, the inspection and quarantine agencies shall confiscate its illegal earnings and food, and impose a fine 3 times of the goods value. If it commits a crime, it shall bear the criminal responsibilities.

If an enterprise importing or selling import food does not honestly provide real information on export food but managed to acquire relevant certificates issued by the inspection and quarantine agencies, the inspection and quarantine agencies shall confiscate its illegal earnings and food, and impose a fine 3 times of the goods value. If it commits a crime, it shall bear the criminal responsibilities. If an enterprise that reports import food for inspection does not honestly provide real information on export food but managed to acquire relevant certificates issued by the inspection and quarantine agencies, the inspection and quarantine agencies shall revoke its qualification to report for inspection, and impose a fine 100% of the goods value.

Article 59 If an enterprise forges or modifies inspection certificates, stamps, signs, seals, or customs entry certificates, the inspection and quarantine agencies shall confiscate its illegal earnings, and impose a fine 3 times of the goods value. If it commits a crime, it shall bear the criminal responsibilities.

Article 60 If an enterprise changes the sample drawn by the inspection and quarantine agencies or changes the import and export food which the inspection and quarantine by the inspection and quarantine agencies show is qualified, the inspection and quarantine agencies shall confiscate its illegal earnings and the products, and impose a fine 3 times of the goods value.

Article 61 If an enterprise from an importing or export country with a hygiene registration system does not acquire hygiene registration but produces food, the inspection and quarantine agency shall order it to stop the import or export, confiscate its illegal earnings, and impose a fine above 10% and below 50% of the goods value.

For an enterprise producing imported or exported food that has acquired hygiene registration, if an examination shows that it does not meet relevant requirements, the AQSIQ or the inspection and quarantine agencies shall order a correction by it, confiscate its illegal earnings and goods, an impose a fine of RMB 50,000 if the goods value is below RMB 5,000, a fine of RMB 100,000 if the goods value is above RMB 5,000 and below RMB 10,000, or a fine above 10 times and below 20 times of the goods value if the goods value is above RMB 10,000.; If it does not meet relevant requirements after correction or has other illegal

behaviors, if the fact is severe, the inspection and quarantine agencies shall revoke its hygiene registration certificate. If there is severe consequence, the agency that issued its license shall revoke its license. If it commits a crime of illegal operation or a crime of producing or selling fake goods, it shall bear the criminal responsibilities.

If a producing or operating enterprise does not meet legal requirements any more but continues its production or operation, the agency that issued its license shall revoke its license and publish on local major media the list of producing or operating enterprises whose licenses have been revoked. If it commits a crime of illegal operation or a crime of producing or selling fake goods, it shall bear the criminal responsibilities.

Article 62 If an enterprise provides or uses transport vehicles without examination of appropriateness for transport by the inspection and quarantine agencies, like containers, ships, planes, and automobiles, for transporting perishable or frozen food for export, the inspection and quarantine agencies shall impose a fine below RMB 100,000.

If an enterprise provides or uses transport vehicles which examination of appropriateness for transport by the inspection and quarantine agencies show are unqualified, like containers, ships, planes, and automobiles, for transporting perishable or frozen food for export, the inspection and quarantine agencies shall impose a fine below RMB 200,000.

Article 63 If an enterprise changes or damages the signs or seals marked by the inspection and quarantine agencies, the inspection and quarantine agencies shall impose a fine below RMB 50,000.

Article 64 If a staffer of the inspection and quarantine agencies abuses his power, intentionally makes trouble with relevant parties, seeks personal interests by trick, forges inspection and quarantine results, or purposely delays issuing certificates, he shall be subject to administrative punishment.

Article 65 If an enterprise does not apply for quarantine and approval pursuant to relevant regulations or does not implement the relevant quarantine and approval, the inspection and quarantine agencies shall impose on its responsible person a fine below RMB 5,000, and revoke its quarantine certificate if it has acquired one.

Article 66 If an enterprise moves import food from the designated places of custody without the permission of the inspection and quarantine agencies, the inspection and quarantine agencies shall impose a fine above RMB 3,000 and below RMB 30,000.

Article 67 If an enterprise imports prepackaged food whose label does not conform to China's mandatory requirements on food labeling, the inspection and quarantine agencies shall order a correction by it, and impose a fine above RMB 500 and below RMB 10,000.

Article 68 If an enterprise does not report the food safety incidents that caused by the export food in the importing countries or regions, and leads to severe consequence, the inspection and quarantine agencies shall impose a fine below RMB 30,000.

Article 69 The raw materials, minor ingredients, additives, and agricultural inputs used by enterprises producing export food should comply with the relevant laws, regulations and national mandatory standards.

If an enterprise does not use raw materials from the achieved bases in producing export food in accordance with the regulations of the AQSIQ, or does not use pesticides or veterinary medicines in farming of the raw materials for export food in accordance with relevant regulations, or an enterprise producing export food does not honestly report use of additives or illegally add other chemical substances, the inspection and quarantine agencies shall confiscate its illegal earnings and goods, and impose a fine of RMB 20,000 if the goods value is below RMB 5,000, a fine of RMB 50,000 if the goods value is above RMB 5,000 and below RMB 10,000, or a fine above 5 times and below 10 times of the goods value if the goods value is above RMB 10,000. If there is severe consequence, the agency that issued its

license shall revoke its license. If it commits a crime of producing or selling fake goods, it shall bear the criminal responsibilities.

Article 70 If enterprises producing import and export food, inspection and quarantine agencies and their staff have other illegal behaviors, they shall be treated in accordance with relevant laws and regulations.

Chapter VI Supplementary Provisions

Article 71 (Bonded areas, export processing areas) The inspection, quarantine, and supervision on food in special areas under customs custody, such as import and export bonded areas and export processing area, and food in small-volume frontier import and export shall be treated with relevant regulations of the AQSIQ.

Article 72 (Express mail) The import and export transported as express mail should be treated with relevant regulations of the AQSIQ on express mails.

Article 73 The food in the present Measure does not include agricultural products such as soybean, wheat, barley, corn, rapeseed, potato, and fruit.

Article 74 The power to interpret the present Provisions shall remain with the AQSIQ.

Article 75 The present Measure shall come into force as of *****, and shall supersede previously issued regulations on the inspection and supervision on import and export food in case of inconsistency with the present Measures.